



**DEPARTMENT OF THE ARMY**  
**HEADQUARTERS UNITED STATES ARMY FORCES COMMAND**  
**1777 HARDEE AVENUE SW**  
**FORT MCPHERSON GEORGIA 30330-1062**

REPLY TO  
ATTENTION OF

AFLG-PR

5 Oct 98

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Contracting Information Letter (CIL) 99-01, FORSCOM  
Formal Partnering Program

1. Reference Memorandum, AFLG-PRM, 31 Oct 94, subject:  
Government/Contractor Partnering (enclosure 1).
2. This is the first of several CILs on Partnering with  
Industry. The purpose of this CIL is to solidly establish the  
FORSCOM Formal Partnering Program. We will include Partnering  
and its relationship to other ADR techniques in a subsequent  
CIL.
3. Referenced memorandum was the springboard to introduce  
Partnering to FORSCOM. The US Army Corps of Engineers Pamphlet  
4 on Partnering (IWR Pamphlet-91-ADR-P-4 dated Dec 91), enclosed  
with referenced memorandum, is still current. The US Army Corps  
of Engineers (USACE) Environmental Partnering Manual contains  
more recent guidance (see Internet site at enclosure 6).
4. While our initial focus on Partnering was primarily as an  
ADR technique, we view Partnering as a means of continuous  
process improvement throughout the life of a contract.  
Partnering is mutually beneficial to both the government and the  
contractor. It is important to contracting because it is a DoD  
Acquisition Reform initiative that focuses on contract processes  
and process improvements and reducing costs. Partnering is a  
force multiplier to Commanders in that it uses available and  
willing internal and external resources that are committed to  
working together for mutual process improvements and  
efficiencies. It can be used to integrate improvements across  
several functions and processes: contract administration,  
quality assurance, and commercial/industry practices.
5. What are the benefits of Partnering? Partnering means  
greater efficiencies, more cost savings, and processes and  
procedures that compliment and support both Government and

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industry operations. By working together and communicating openly, we avoid the "us vs. them" mentality that often characterizes government-industry relations. By finding common ground in mutual goals and objectives, the parties realize that success is dependent upon their commitment and ability to work as a team. This creates a "win-win" environment. Partnering helps reduce surprises that can result in schedule delays and additional costs. The commitment to resolve disputes informally at the earliest opportunity minimizes the necessity for litigation. Avoiding the expense and delays attributed to lengthy litigation frees the participants to concentrate their efforts on successful and timely contract performance.

6. Selection criteria. Every contract is not a candidate for a formal Partnering agreement. Criteria should be dependent upon several factors: contract size, type, complexity, risks, benefits to all parties, the potential for long term benefits and improvements, and overall "value added" as a result of entering into such an agreement. The contract(s) selected for Partnering should be the one(s) offering the greatest opportunity for improvement. Some factors to consider include the criticality of the product, existing contractor involvement in continuous process improvement, and input from customers.

7. Partnering steps.

a. Step One: The decision to partner, make the commitment, and obtain resources. The Government's desire to partner on a project usually begins in the solicitation phase. A sample solicitation provision is at enclosure 2.

b. Step Two: Extend the invitation to partner and make a mutual agreement to enter a Partnering relationship. This can be accomplished in the pre-work conference.

c. Step Three: Conduct a Partnering workshop and develop a charter. A facilitator-directed Partnering Workshop will accelerate successful implementation of the Partnering effort. A recommended outline for the workshop and sample charter are at enclosures 3 and 4.

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A recommended outline for the workshop and sample charter are at enclosures 3 and 4.

d. Step Four: Making it happen (Following agreed upon procedures, ensuring continuous communication in identifying and resolving problems, reviewing periodically, measuring success, and reinforcement.)

8. Goals and objectives. The FORSCOM goal, established at our Contracting Workshop in Jun 98, is to have each DOC establish at least one formal Partnering agreement by 1 Jan 99. Our objective is to establish a working program FORSCOM-wide that will reduce contract performance time, lower contract costs, and obtain high quality end products, while reducing expensive litigation costs. A copy of the signed PARC/DOC commitment to the success of the FORSCOM Partnering program is at enclosure 5.

9. Metrics. The parties entering into the Partnering agreement must identify a method to measure the impact Partnering has on contract performance. The measurement phase of the Partnering process is crucial in order to determine whether the process is working and what revisions will make the process better. Metrics communicate the "health" of a process. A tool should be agreed upon at the initial workshop to measure goals and objectives. At a minimum, metrics should be established to measure performance against cost objectives, the quality of delivered products/services, ability to meet delivery schedules, and reduced paperwork.

10. Training approach.

a. Develop a tailored training approach for employees, customers, and external participating activities/agencies (e.g., Defense Contract Audit Agency, Small Business Administration, US Army Corps of Engineers). A number of resources are available for your consideration (enclosure 6). This office plans to include Partnering training on subsequent video teleconferences and will entertain providing on site training upon request.

b. Several members of our staff recently attended Defense Contract Management Command's (DCMC) PProcess Oriented Contract

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Administration Service (PROCAS) training as part of our commitment to the success of Partnering within FORSCOM contracting offices. We will use the DCMC PROCAS model as a Benchmark for the FORSCOM program and provide a future CIL devoted exclusively to the PROCAS methodology.

11. It is important to understand what Partnering is and what it is not. (Also, see enclosure 7 for some quick reference questions and answers from the AMC Model Partnering Process Guide.)

a. Partnering **is**:

(1) Both internal and external and should extend beyond our own processes;

(2) Formal agreements (written commitments) and informal agreements (as simple as a handshake);

(3) Strictly voluntary and outside the scope of the contract;

(4) Built on a relationship of trust;

(5) A process of anticipating and resolving problems;

(6) Dispute avoidance through informal conflict management procedures;

(7) Enhanced communication (result is reduced contract completion time and cost);

(8) Focused on the mutual interests of the parties;

(9) A cultural adjustment - an attitude of cooperation;

(10) A proven process for improving contract results.

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b. Partnering **is not**:

(1) Mandatory, because it requires a personal commitment to a different kind of relationship;

(2) A panacea which will prevent contract problems;

(3) A one-way street - it will only work if the partners' focus is on the achievement of mutual goals and objectives;

(4) Successful without total commitment of all the parties, from top management down;

(5) A waiver of any contractual rights of the parties;

(6) A short term relationship - Partnering is most successful on contracts with an anticipated performance period of two or more years;

(7) Merely internal functional teaming or limited to Interagency participation;

(9) Contrary to the Government's business interests - the goal of the acquisition process is to provide our soldiers and civilians with quality supplies and services, on time, and at a reasonable price;

(10) Inconsistent with any acquisition-related statute or regulation.

12. Lessons Learned from your Partnering efforts will be posted to the FORSCOM Contracting Division homepage. We will use the homepage to share the Partnering commitment between the PARC office and the DOCs, as well as individual agreements with your contractors as they are formed. You are encouraged to share Partnering successes at any time. We will send a quarterly reminder. Each DOC should report progress toward achieving the FORSCOM goal in paragraph 8 by 31 Dec 98.

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13. Please contact Mrs. Pat Boterweg, DSN 367-6207 or  
commercial (404) 464-6207, for additional information.



CHARLES J. GUTA  
Colonel, AC

Chief, Contracting Division, DCSLOG  
Principal Assistant Responsible  
for Contracting

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as

DISTRIBUTION:

COMMANDERS,

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I CORPS & FT LEWIS, P.O. BOX 33931, ATTN: AFZH-DOC

3RD INF DIV (MECH) & FT STEWART, ATTN: AFZP-DC

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DEPARTMENT OF THE ARMY  
HEADQUARTERS, UNITED STATES ARMY FORCES COMMAND  
FORT MCPHERSON, GEORGIA 30330-6000



REPLY TO  
ATTENTION OF:

AFLG-PRM

31 October 1994

MEMORANDUM FOR Directors of Contracting

SUBJECT: Government/Contractor Partnering

1. At the 1994 Contracting Conference/Workshop I identified partnering as a primary focus issue in Fiscal Year (FY) 95. This office has been gathering information to assist you in this effort. We hope to include partnering as a topic on an upcoming video teleconference. More information will follow.
2. What is partnering? It is an attitude--the establishment of a relationship between the parties to cooperate in working out problems as they arise during contract performance. It develops positive and mutually beneficial relationships by creating a climate characterized by trust and cooperation.
3. Partnering is a unique method of Alternate Disputes Resolution (ADR) in that it is the only technique which focuses on disputes avoidance. It is strictly voluntary and is outside the contract terms and conditions. It works best on long-term construction and/or service contracts; however, partnering can be accomplished to some degree on most contracts.
4. Partnering begins in the solicitation phase of an acquisition by announcing the Government's invitation to participate in a partnering arrangement. After contract award, the contractor and Government parties agree to participate in a partnering relationship.
5. Informal partnering arrangements may be as simple as a handshake. Formal partnering involves the drafting and signing of a charter. This is usually accomplished during a workshop conducted by a third party facilitator. Whether formal or informal, both parties agree up front as to which ADR technique (arbitration, mediation, mini-trials, etc.) will be used in lieu of litigation should the parties fail to agree in resolving a contract dispute.
6. The following is taken from Government Contract Reports, number 1236, 25 May 1994: "...The Army Corps of Engineers, which uses partnering on many acquisitions over \$5 million, has experienced a **perfect success rate** on these acquisitions in that formal disputes before administrative boards and federal

Encl 1

AFLG-PRM

SUBJECT: Government/Contractor Partnering

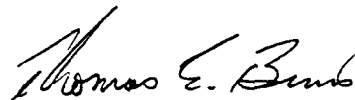
courts have been avoided. Over the past 10 years, the number of claims filed with the Corps has been reduced from a high of 1,103 in 1986 to 532 in 1993. The value of these claims has dropped from \$509 million in 1985 to \$228 million in 1993. This success rate...is directly attributable to the use of partnering and ADR throughout the Corps organization."

7. In this period of downsizing, we no longer have the resources to rely primarily on expensive, lengthy litigation procedures to resolve disputes. I am convinced that partnering works. I ask you to make a concerted effort to pursue this alternative. I personally challenge each DOC to target at least one major contract action for a partnering effort this FY.

8. I would like to hear about what you are doing in this area. Please pass along any success stories, lessons learned, etc. so that we may share with other Directorates.

9. Point of contact for additional information is Mrs. Pat Boterweg, DSN 367-7256.

Encl  
IWR Pamphlet-91-ADR-P-4



THOMAS E. BRUNS  
Colonel, AV  
Chief, Contracting Division  
Principal Assistant Responsible  
for Contracting

CF:  
FORSCOM SJA



## SAMPLE PARTNERING SOLICITATION PROVISION - SECTION L

In an effort to most effectively accomplish the objectives of this contract, it is proposed that the government, the contractor, and its major subcontractors engage in the Partnering process.

Participation in the Partnering process is entirely voluntary and is based upon a mutual commitment between government and industry to work cooperatively as a Team to identify and resolve problems and facilitate contract performance. The primary objective of the process is providing Army soldiers/civilians with the highest quality supplies/services on time and at a reasonable price. Partnering requires the parties to look beyond the strict bounds of the contract in order to formulate actions that promote their common goals and objectives. It is a relationship that is based upon open and continuous communication, mutual trust and respect, and the replacement of the "us vs. them" mentality of the past with a "win-win" philosophy for the future. Partnering also promotes synergy, creative thinking, pride in performance, and the creation of a shared vision for success.

After contract award, the government and the successful offeror will decide whether or not to engage in the Partnering process. Accordingly, offerors shall not include any anticipated costs associated with the implementation of the Partnering process in their proposed cost/price (e.g. cost of hiring a facilitator and conducting the Partnering Workshop). If the parties elect to partner, any costs associated with that process shall be identified and agreed to after contract award.

The establishment of this Partnering arrangement does not affect the legal responsibilities or relationship of the parties and cannot be used to alter, supplement or deviate from the terms of the contract. Any changes to the contract must be executed in writing by the Contracting Officer.

*Encl 2*

## RECOMMENDED OUTLINE FOR THE INITIAL WORKSHOP

### Identify Roles and Responsibilities of Stakeholders

#### Get to Know Each Other

- Introductions

- Conduct Team Building Exercises

- Learn Empathy and Listening Skills

#### Review the Contract Requirements

#### Develop Partnering Charter (Agreement)

- Mission Statement

- Establish Goals

- Identify Objectives

#### Problem Resolution

- Identify Specific Project/Program Issues and Concerns

- Develop Action Plans

- Design Conflict Escalation Procedure

- Select ADR Process to Use In Lieu of Litigation

#### Measuring Success

- Develop Baseline and Assessment Criteria

- Draft Partnering Performance Survey

*Encl 3*

# **SAMPLE PARTNERING CHARTER**

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The mutual goals and objectives of the stakeholders form the Partnering charter. The charter for each project, therefore, will be unique to that project. The charter may be a simple statement about communication and cooperation in all matters affecting the project and resolution of conflicts at the lowest level. The following, however, provides an idea of objectives which might be included in a charter.

## **Partnering Charter for (Project)**

We are a team dedicated to providing a quality project in accordance with the contract. We are committed to both employee and public safety, protection of the environment, and minimizing inconvenience to the public.

### **I. COMMUNICATION OBJECTIVES**

We intend to deal with each other in a fair, reasonable, trusting and professional manner including:

1. Communicate and resolve problems within the terms of the contract.
2. Decision making at lowest possible level.
3. Open, honest communication.
4. Treat each other with mutual respect, resolve personal conflicts immediately, and avoid personal attacks.
5. Timely notification of future meetings.
6. Support of the weekly and morning meetings.
7. Not allowing grudges to interfere with professionalism.

### **II. CONFLICT RESOLUTION SYSTEM**

- Step 1. It is preferred that conflict be discussed and resolved at the level at which it originates.
- Step 2. When conflict is not resolved at the originating level, it will be taken to the next level of supervision.
- Step 3. When conflict is not resolved at step 2, then it will be taken to the project manager and project engineer.
- Step 4. If it cannot be resolved at step 3, then it will be handled according to contract specifications.

### **III. PERFORMANCE OBJECTIVES**

1. Complete the project without litigation
2. Utilize cost reduction incentive proposals.
3. Finish project on time.

cont'd

## SAMPLE PARTNERING CHARTER

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4. No delays to project.
5. No lost time injuries.
6. Promote positive public relations.
7. Provide safe passage of the public through the project.
8. Make project enjoyable to work on.
9. Construct and administer the contract so that all parties are treated fairly.

We the undersigned agree to make a good faith effort to undertake and implement the above as applicable to each of us:

General Contractor Personnel

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Owner Personnel

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Subcontractors \_\_\_\_\_

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A/E \_\_\_\_\_

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Suppliers \_\_\_\_\_

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## COMMITMENT TO SUCCESS OF FORSCOM PARTNERING PROGRAM

WE THE LEADERS AND DIRECTORS OF FORSCOM CONTRACTING COMMIT TO TEAM OUR EFFORTS TO ENSURE THE SUCCESSFUL IMPLEMENTATION, SUPPORT AND CONTINUATION OF THE FORSCOM PARTNERING PROGRAM.\*

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DIRECTOR  
FORT LEWIS

Richard Wisdom  
DIRECTOR  
FORT POLK

Stephen Kandul  
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\* ORIGINAL SIGNATURES ARE ON FILE

G... /

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**FUNCTIONAL TEAM MEMBERS AND OTHER AGENCY EXPERTS:**

<u> </u>	<u> </u>
<u> </u>	<u> </u>
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Slagle, M. L., "Initial Partnering Evaluation Report: Oliver Lock and Dam Replacement Project," Report to Corps of Engineers, Mobile District, December 22, 1989.

U.S. Army Corps of Engineers, "Sponsors' Partnership Kit," Directorate of Civil Works, 1989.

U.S. Army Corps of Engineers, Mobile District, "A Guide to Partnering for Construction Projects: A Process for Implementation," January 1990.

U.S. Army Corps of Engineers, Mobile District, "Partnering," Informational Brochure, August 1989.

Wormington, J. R., "Cape's New Facility Highlights Success of Total-Quality Approach," *The Missileer*, vol. 32, no. 31, Friday Aug. 10, 1990.



## ADDITIONAL PARTNERING RESOURCE MATERIALS

AFMC Pamphlet 74-9, 31 Aug 93, Quality and Reliability Assurance, THE METRICS HANDBOOK, Department of the Air Force, HQ, USAF Materiel Command, Wright Patterson AFB, OH 45433-5001

AMC Model Partnering Process, US Army Materiel Command, Partnering for Success, A Blueprint for Promoting Government-Industry Communications & Teamwork  
(<http://acqnet.sarda.army.mil/acqinfo/bluprint/bluprnt.htm>)

Brassard, Michael and Ritter, Diane, "The Memory Jogger II", GOAL/QPC, 13 Branch Street, Methuen, MA 01844-1953  
(<http://www.goalqpc.com>)

Burman, Allan V., "Teamwork Makes a Difference", Government Executive, Apr 98

PARTNERING GUIDE for Environmental Missions of the Air Force, Army, Navy, Jul 96  
(<http://www.hq.usace.army.mil/cemp/c/partner.htm>)

Peters, Katherine M., "Unique Partnership Yields Results", Government Executive, Apr 98.

Staser, LTC Jeffrey, "Partnering: Keeping Contracts Out of the Courtroom", Contract Management, Nov 93

PRocess Oriented Contract Administration Services (PROCAS) Workshop Team Member Guide, Jan 94, Prepared for DCMC by DLA Civilian Personnel Support Office (DCPSO), 380 Morrison Road, Columbus, OH, 43213  
([www.dcmc.hq.dla.mil/TEAMINFO/AQOD/Procas/Training.htm](http://www.dcmc.hq.dla.mil/TEAMINFO/AQOD/Procas/Training.htm))

## **Questions & Answers about Partnering**

### **Q-1 What is Partnering?**

**A** The AMC Model Partnering Process, as described in this Guide, is based upon a mutual commitment between government and industry to work cooperatively as a team to identify and resolve problems and facilitate contract performance. The primary objective of this process is providing the American soldier with the highest quality supplies/services on time and at a reasonable price. Partnering requires the parties to look beyond the strict bounds of the contract in order to formulate actions that promote their common goals and objectives. It is a relationship that is based upon open and continuous communication, mutual trust and respect, and the replacement of the "us vs. them" mentality of the past with a "win-win" philosophy for the future. Partnering also promotes synergy, creative thinking, pride in performance, and the creation of a shared vision for success.

Engaging in Partnering is similar to picking a Partner at the office picnic and entering the three-legged race. The Partners have their legs tied together and know that to win the race they must reach the finish line; however, if they run in different direction, do not start at the same time and on the same leg, or do not hold each other up and keep each other out of potholes on the path to the finish line, neither will finish successfully. Similarly, government and industry must work together, communicate their expectations, agree on common goals and methods of performance, and identify and resolve problems early on --- or risk bringing both Partners to the ground.

### **Q-2 Why would I want to become involved in the Partnering process? What's in it for me?**

**A** Partnering has not only consistently contributed to the success of a variety of programs within AMC, it has also significantly enhanced the morale and professionalism of the individuals who have been involved in the process. By promoting creativity and empowering people with the requisite authority to make binding decisions, in real time, the Partnering process has engendered a uniquely positive outlook and motivation to personally contribute to the accomplishment of the team's goals and objectives. Most people who have participated in the process report that their ability to focus on and resolve problems and accomplish tasks in a timely manner without surprises, protracted arguments and the necessity for generating endless file documentation, minimizes stress and non-productive time and maximizes job satisfaction. Significantly, many Partnering participants have indicated that they would not want to work on a future project that was not Partnered.

### **Q-3 How can we financially afford to Partner in an environment in which acquisition budgets are consistently being reduced?**

**A** The fact is that in today's environment of dramatically reduced defense budgets, we can no longer afford not to Partner. Although the Partnering process does entail an up-front investment to cover the costs of contracting with a facilitator and conducting the Partnering Workshop, experience has

repeatedly demonstrated that these initial expenses are minimal compared to the significant savings realized in the cost of contract performance for both the government and the contractor.

**Q-4 Isn't the additional time necessitated by the implementation of the Partnering concept inconsistent with the increasing emphasis on acquisition streamlining and cycle time reduction?**

**A** No. It is true that implementation of the Partnering process, particularly among individuals or organizations unfamiliar with the concept, requires an initial investment of time both in preparing for and conducting the Partnering Workshop. However, experience has consistently demonstrated that Partnered contracts result in earlier contract completion. In fact, the Partnering process facilitates the accomplishment of acquisition streamlining and cycle time reduction objectives.

**Q-5 How can a manpower-intensive process like Partnering be implemented in an environment in which the government and industry are downsizing?**

**A** Although implementation of the Partnering process requires the active participation and involvement of all government and contractor stakeholders, it is not, in fact, a manpower-intensive process. Rather, through its focus upon open communications; the empowerment of the primary players and clear definition of their roles and responsibilities; the early identification of "Rocks in the Road" and formulation of an Action Plan for their prompt resolution; the avoidance of surprises; the significant reduction in paperwork; the development of a Conflict Escalation Procedure; and the elimination of litigation, the Partnering process is, in reality, a workforce multiplier, the utilization of which is absolutely essential to our future success.

**Q-6 Aren't the personnel and budgetary costs attributable to Partnering disproportionate to any potential benefits which can be obtained?**

**A** No. Experience has repeatedly demonstrated that the personnel and financial investment in the Partnering process is far outweighed by the benefits which consistently result from the utilization of this technique.

**Q-7 Isn't Partnering simply a new "buzzword" for the team concept that has always been used in the administration of government contracts?**

**A** No. The team approach which has historically been employed in the administration of some government contracts is significantly different from the Partnering concept. Generally, in "traditional" contract administration, when teaming is used, there is a government team and a contractor team that, for the most part, work independently. When the Partnering process is utilized, the government and the contractor approach contract performance as a single, interdependent unit whose objectives, focus and daily interaction are guided by the terms of the Charter which they themselves developed. Even when an inter-organizational team philosophy has been adopted, the parties usually do not have a process in place to implement that philosophy. The AMC Model Partnering Process provides the blueprint for that implementation.

**Q-8 Are there formalized rules for the implementation of the Partnering process or is it flexible enough to allow for tailoring as necessary to meet the needs of individual programs?**

**A** There are no formalized rules for the implementation of Partnering. However, use of the AMC Model Partnering Process, tailored as necessary to achieve the objectives of individual program, is recommended.

**Q-9 Is the Partnering Charter a legally enforceable agreement?**

**A** No. The Partnering Charter is not a contractual agreement and does not create, relinquish or conflict with the parties' legally binding rights or duties.

**Q-10 What is the relationship between the Partnering Agreement and the contract?**

**A** While the contract establishes the legal relationship between the parties, the Partnering Agreement establishes their business relationship. The Partnering Agreement constitutes a mutual commitment by the parties on how they will interact during the course of the contract with their primary objective being successful and timely contract performance.

**Q-11 Can the Partnering Agreement be used to alter, supplement or deviate from the rights and obligations of the parties set forth in the contract?**

**A** No. The Partnering Agreement cannot be used to alter, supplement or deviate from the terms of the contract, nor can it affect the legal responsibilities or relationship of the parties.

**Q-12 Won't the relationship between the government and the contractor engendered by the Partnering process undermine and/or preclude the enforcement of the parties' contractual rights?**

**A** No. Engaging in the Partnering process does not require either party to relinquish or waive its contractual rights or to take any action that is inconsistent with its best interests. The Partnering process is, however, based upon the parties' commitment to communicate openly and honestly, to expeditiously identify and resolve problems without the necessity for litigation, and to work cooperatively as a team to accomplish their mutual goals and objectives.

**Q-13 Wouldn't it be improper for the government to become involved in or facilitate the contractor's efforts to comply with the terms of the contract (i.e., to deliver conforming supplies/services on time and within the estimated cost/price)?**

**A** No. On the contrary, it is entirely appropriate and in the best interests of both parties for the government to team with the contractor in order to facilitate and streamline contract performance. In today's environment of personnel downsizing and dramatically reduced defense budgets, we can no longer afford to approach contract administration in a traditional "us vs. them" manner. It is imperative that we employ creative, "outside the box" thinking and accept the risks inherent in trying something new, in order to maximize our ability to provide America's soldiers with the most technologically advanced and reliable equipment in a timely manner.

**Q-14 Doesn't implementation of the Partnering concept alter the traditional relationship between the government and industry?**

**A** Yes. The Partnering process replaces the passive, independent, "hands-off" philosophy of the past --- an approach which experience has shown to be both ineffective and manpower-intensive --- with a proactive, interdependent, team-based approach for the future, a strategy which has already generated significant dividends throughout AMC.

**Q-15 Does the execution of a Partnering Agreement mean that disagreements between the parties will no longer be permissible?**

**A** No. Execution of a Partnering Agreement does not mean that the parties have somehow attempted to do the impossible --- to preclude disagreements from arising during contract performance. On the contrary, the Partnering Agreement specifically anticipates the development of the problems and conflicts and establishes a series of mechanisms designed to expeditiously resolve them at the lowest possible organizational level in order to streamline contract performance and avoid the significant expense and delays attributable to litigation.

**Q-16 If disputes occur during contract performance, does this mean that the Partnering process has been unsuccessful?**

**A** No. The Partnering process specifically recognizes that disputes may arise during contract performance and establishes a methodology for their prompt resolution without the necessity for litigation.

**Q-17 Doesn't the inclusion of Alternative Dispute Resolution provisions in the Partnering Agreement indicate that the parties anticipated that the Partnering process would fail?**

**A** No. Partnering is an integral part of the AMC Alternative Dispute Resolution (ADR) program. The intent of the Partnering process is not to eliminate conflict, but rather to manage it, so that conflict does not prevent or delay the achievement of the parties' overriding goals. Some issues may not be resolvable using the Conflict Escalation Procedure. When this happens, other ADR techniques, specifically selected by the parties, are used to apply different tactics in order to facilitate the timely resolution of conflict. ADR is not a sign of failure, but rather a continuation of the parties' commitment to successful performance without the necessity for litigation.

**Q-18 Is the Partnering Agreement developed in conjunction with an individual contract applicable to all subsequent contractual relationships between the government and the contractor?**

**A** No. Assuming that both the government and the contractor wish to engage in the Partnering process on a continuing basis, each contractual endeavor between them must include individually designed and tailored Partnering Agreements reflecting the unique aspects and circumstances of each program (e.g., the parties' goals and objectives; "Rocks in the Road"; and Conflict Escalation Procedure). It is noted that AMC does have experience with the use of Overarching Partnering Agreements (*see Appendix C*) in which senior management from the government and industry formalize their commitment to utilize the Partnering process in the performance and administration of each of their subsequent contractual efforts. Even in these instances, however, the parties specifically recognize the necessity to formulate individually designed Partnering Agreements for each of those

contracts.

**Q-19 Does the Partnering process have to be utilized on all contracts over a certain dollar value or of a particular duration?**

**A** No. Use of the Partnering process is never mandatory. The personal commitment, open communications and "outside the box" thinking which form the foundation for the Partnering concept necessitate its voluntary acceptance and utilization by both government and industry. Nevertheless, in selecting acquisitions for Partnering, contracts of two years' duration or longer are generally preferred. If the Partners are familiar with or have experience with the process, however, its use on shorter contracts is recommended.

**Q-20 Is Partnering limited to use in sole source contracts?**

**A** No. The Partnering process can be employed in conjunction with both sole source and competitive contracts.

**Q-21 Can the Partnering process be utilized with any type of contract?**

**A** Yes. The Partnering process can be employed in conjunction with any contract type.

**Q-22 Is it advisable to use the Partnering process when potentially complex and controversial issues are anticipated during contract performance? When potential industry or government Partners have traditionally been uncooperative or adversarial?**

**A** Yes. The Partnering process is most valuable and provides the greatest benefit to the parties when used in conjunction with technically complex efforts or in situations where prior contract performance has been poor or there has been a history of adversarial relationships between the government and the contractor.

**Q-23 When should the government first communicate to industry its desire to utilize the Partnering process in conjunction with a particular program?**

**A** The government's desire to utilize the Partnering process in conjunction with a particular program or series of programs should be communicated to industry as early in the acquisition process as possible. As discussed in this Guide, both the government and industry are strongly encouraged to suggest the use of Partnering. These discussions can take place during Advance Planning Briefings for Industry and, with respect to specific programs, in draft solicitations published on a command's Electronic Bulletin Board as well as during Pre-Solicitation and Pre-Proposal Conferences.

**Q-24 Does the enhanced level of communications between the government and industry necessitated by the Partnering concept increase the potential for violation of procurement integrity and/or standards of conduct rules?**

**A** The existence of a Partnering Agreement between government and industry is not an exception to, inconsistent with, or a waiver of any of the rules relating to procurement integrity and standards of conduct. Notwithstanding the fact that enhanced communications between the parties is the

foundation of the Partnering concept, it is imperative that the parties recognize that the Partnering relationship cannot be used as a vehicle for the dissemination or exchange of any competition sensitive, source selection or proprietary data or for the premature or unilateral release of acquisition-related information prior to its publication to industry in general.

**Q-25 Doesn't the Partnering process encourage the implementation of constructive changes to the contract?**

**A** No. The Partnering process encourages the parties to communicate openly on a continuous basis, promotes the establishment of a cooperative relationship based upon trust and honesty, and specifically empowers the stakeholders, starting at the lowest organizational level, to work together as a team to expeditiously resolve problems. It cannot, however, be used to alter, supplement or deviate from the terms of the contract or affect the legal rights and obligations of the parties. Any changes that are made to the contract must be executed in writing by the Contracting Officer.

**Q-26 Won't employee turnover within the government and industry undermine the success of the Partnering process?**

**A** Significant employee turnover within the government and/or industry can potentially undermine the success of the Partnering relationship. It is, therefore, imperative that when personnel changes are experienced, particularly among the "Champions" or primary stakeholders, the new Partnering participants be familiarized immediately with and embrace the process, especially the necessity for open and continuous communication. Follow-up workshops can be employed to reinforce the critical components of the process (e.g., goals and objectives; "Rocks in the Road"; and Conflict Escalation Procedure) and to assure the continuing commitment of the parties.

**Q-27 Is the Partnering process consistent with the requirements of the Competition in Contracting Act?**

**A** Yes. Although the Partnering process is based upon trust, open communications, and the development of a close working relationship between the government and industry, it is not an exception to the Competition in Contracting Act (CICA) nor a mechanism through which the requirements of CICA can be circumvented.

**Q-28 Is it imperative that a facilitated Partnering Workshop be conducted?**

**A** No. Although many of the activities encompassed within a facilitated Partnering Workshop can be, and have been, accomplished by program participants on their own, it is strongly recommended that a professional facilitator experienced in the Partnering process be utilized. The facilitator is an objective, neutral, "honest broker" whose participation accelerates the successful implementation of the Partnering effort by minimizing skepticism and bias, keeping the parties focused on the Partnering process and playing a pivotal role in the development of the Charter, the "Rocks in the Road", the Conflict Escalation Procedure, and metrics for the assessment of program success.

**Q-29 When is the best time to conduct the Partnering Workshop?**

**A** The best time to conduct the Partnering Workshop is as soon as possible after contract award. The Workshop can often be held in conjunction with the Post-Award Conference.

**Q-30 Who should attend the Partnering Workshop?**

**A** The Partnering Workshop must include, at a minimum, all "stakeholders" within both government and industry. Stakeholders are individuals who play a critical role in ensuring program success. This includes anyone who is in a position to disrupt contract performance or "throw a monkey wrench" into the process (e.g., Program Manager, Procuring Contracting Officer, user representatives, the testing community and contract administration personnel).

**Q-31 Where should the Partnering Workshop be held?**

**A** It is recommended that, where feasible, the Partnering Workshop be conducted at a neutral site away from the workplace. This approach contributes to the parties' uninterrupted focus on the Partnering initiative, negates any concerns over favoritism or "turf", and minimizes the potential for participants to be called away for other work-related matters.

**Q-32 Who pays for the Partnering Workshop?**

**A** The source of funding for the Partnering Workshop must be determined on a case-by-case basis. Generally, however, the Partners share the costs of conducting the Workshop (hiring the facilitator, renting the Workshop facility, etc.) and pay their own costs related to transportation, lodging, per diem and salaries.

**Q-33 Can an offeror's willingness to Partner in the future or its prior experience with the Partnering process be evaluated in conjunction with the source selection process? Should Partnering be specifically identified as an evaluation factor or sub-factor?**

**A** Since Partnering is neither a contractual requirement nor a process whose use should ever be mandated by the government, it should not be identified as an evaluation factor or sub-factor in the source selection process. Depending upon the structure of the evaluation scheme in negotiated acquisitions, however, an offeror can and should be given evaluation "credit" for successful prior Partnering efforts as part of the evaluation of the Performance Risk/Past Performance Factor. This can be accomplished either through direct recognition of the benefits derived from the offeror's previous Partnering experiences or indirectly through an overall assessment of the offeror's performance on prior contracts that were Partnered. Furthermore, the offeror's desire to engage in Partnering during the contract to be awarded, as well as its approach for the implementation of the process and strategy for the enhancement of communications and timely contract performance, could be appropriate for consideration in the evaluation of the Management Factor.

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